

STATE SENATOR • DEBORAH CHERRY • 26TH DISTRICT

Cherry Press Release

P.O. Box 30036 • Lansing • Michigan • 48909-7536 • 517-373-1636 • Fax: 517-373-1453
E-mail: sendcherry@senate.michigan.gov • www.senate.michigan.gov/dem/SD26



For Immediate Release
July 17, 2006

CONTACT: Sen. Deb Cherry
PHONE: 517-373-1636

Democratic Lawmakers, Governor Announce Plan to Protect Michigan Jobs

New bills would discourage outsourcing, promote responsibility and growth

LANSING—Unfair federal trade policies and state tax incentives that promote the outsourcing of Michigan jobs continue to hurt working families, but Governor Granholm and Democratic legislators are once again presenting innovative plans to protect Michigan jobs and workers. Today, Granholm and Senate and House lawmakers announced legislation to create the Michigan Corporate Responsibility Act, which would prohibit state support of companies that fail to meet job creation, pension, and international worker rights standards.

“Corporate responsibility and creating jobs go hand in hand,” said Sen. Deb Cherry (D-Burton), a sponsor of one of the bills in the package. “The Corporate Responsibility Act will help safeguard our economic development investments and keep jobs here at home.”

Should the Corporate Responsibility Act become law, economic development benefits including tax credits, abatements, loans, and grants would not be available to companies that are found to participate in any of the following activities:

- The company, or any of its officers have been convicted in the past 15 years of a criminal offense related to performance of a previous state contract or involving business integrity, including embezzlement, theft, forgery, bribery and others;
- The company uses economic development funds to outsource jobs;
- The business has incorporated in a tax haven country since September 11, 2001;
- The business fails to comply with international workers’ rights standards or U.S. pension laws.

The Act would also require the Department of Management and Budget to consider all of the above standards in addition to cost and economic impact to the state when contracting for products and services.

“We are blessed in Michigan with countless businesses striving to be good corporate citizens,” said Granholm. “But those who are bad actors – who incorporate off-shore to avoid paying taxes or violate U.S. pension laws and international labor standards – should not be allowed to use our tax dollars to do it. This legislative package will ensure that Michigan tax dollars are used to create and protect jobs here at home.”

###